

Subsidy

PASS SUBSIDY PROGRAMS

Why offer employees a pass subsidy?

Participating employers are able to offer Metro passes and ticket books as a low-cost benefit to employees who commute by bus, encouraging transit use at the worksite.

What are the benefits of Metro's Pass Subsidy Programs?

To Employers:

- passes delivered monthly to worksite;
- tax-deductible business expense;
- encourages use of buses;
- helps clearly identify regular transit users at the site;
- promotes regular, on-going transit use;
- ETC receives administrative assistance;
- helps employers meet CTR requirements;
- offers multiple payment plans – prepay or consignment options.

To Employees:

- employees perceive it as a valuable benefit;
- a tax-free benefit if subsidy is \$65 or less per month;
- passes sent to the worksite;
- cost savings on commuting expenses.

How does a Pass Subsidy program help meet CTR Goals?

Pass subsidy programs offer convenience and cost savings to employees, encouraging them to commute using alternative transportation modes. By increasing (HOV) high occupancy vehicle commutes in this manner, pass subsidy helps a company meet CTR program goals and can reduce costs such as for parking.

What are favorable conditions for Pass Subsidy Program?

- employees have ability to ride transit (3 times a week or more);
- shopping and other consumer amenities exist near workplace;
- an employer wants to offer a valuable benefit to employees.

How much does a Pass Subsidy Program cost?

An employer may subsidize employee passes for as little as \$5 per pass. Based on the number of passes provided, and amount subsidized per pass, program costs vary.

From helping decide the best amount to subsidize, to advising the company on the minimal program administration requirements, Metro staff provides startup program design, as well as ongoing assistance.

Metro Fare Pass Options

- One-month peak and off-peak Metro bus passes for one or two zones;
- One-month Metro custom bus passes;
- One-month Ship to Shore passes;
- Three-month peak Metro bus passes for one or two zones;
- Annual peak and off-peak Metro bus passes for one or two zones;
- Ticketbooks (for all Metro fare options: peak, off-peak, one or two zones).

Answers to commonly asked questions:

Q. How do we sign up?

- A. Just contact your Employer Transportation Representative to talk with you about program options or send you additional information.

Q. How do we administer our pass program?

- A. Many companies choose a person to coordinate pass administration, which involves arranging for payment and monthly pass distribution. The time investment can be minimal, with most activity occurring at month-end.

Q. How do we pay?

- A. Payment options are available:

Pre-payment: a company orders passes and includes payment (by corporate check, VISA or MasterCard) with the order. Once payment is received and processed, passes are mailed to the employer. This payment option is most appropriate for companies that:

- expect to sell less than 10 passes;
- are ineligible for the consignment purchase program, below.

Consignment: a company establishes a consignment agreement with Metro to place a standing order for transit passes. Metro mails the passes to the employer monthly; the company then pays only for passes actually sold or distributed, and returns all unused passes to Metro. The consignment payment option is available to companies that:

- expect to sell 10 or more transit passes per month;
- subsidize a portion of each employee pass;
- have been in business for at least one year, with a sound financial history.

Q. What is the Corporate Annual Pass program?

- A. Employers may choose to buy “annual” passes for their employees, with two payment options:
1. Outright purchase, for firms with *fewer* than 250 employees needing passes. Companies ordering at least 5 passes are invoiced; payment is due within 30 days after passes are issued. Each pass is registered to an employee and may be returned for a partial refund if that employee leaves the company during the year.
 2. Monthly billing, for firms with *more than* 250 employees purchasing passes.